

THE CORPORATION OF THE CITY OF VERNON

BYLAW NUMBER 5980

A bylaw to adopt the "Financial Plan"  
for the Years 2024 – 2028

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WHEREAS Section 165 of the *Community Charter* requires the Council to prepare and adopt a Financial Plan for a five-year period for the years 2024 to 2028.

NOW THEREFORE as the Council of The Corporation of the City of Vernon desires to adopt the 2024 - 2028 Financial Plan, Council, in open meeting assembled, enacts as follows:

1. This bylaw may be cited for all purposes as the "**City of Vernon 2024 - 2028 Financial Plan Bylaw 5980**".
2. That Schedule "A" attached hereto and forming part of this bylaw is hereby adopted and shall be the 2024 - 2028 Financial Plan for The Corporation of the City of Vernon.
3. That Schedule "B" attached hereto and forming part of this bylaw is hereby adopted and shall be the 2024 - 2028 Financial Plan Revenue Policy.

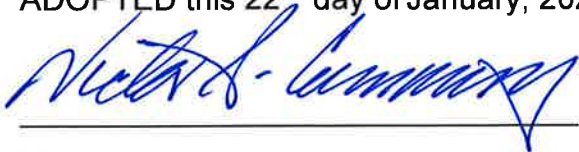
Public Consultation was held the 4<sup>th</sup> day of December 2023 pursuant to Section 166 of the *Community Charter*.

READ A FIRST TIME this 8<sup>th</sup> day of January, 2024.

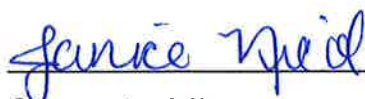
READ A SECOND TIME this 8<sup>th</sup> day of January, 2024.

READ A THIRD TIME this 8<sup>th</sup> day of January, 2024.

ADOPTED this 22<sup>nd</sup> day of January, 2024.



Mayor



Corporate Office

**THE CORPORATION OF THE CITY OF VERNON  
2024 - 2028 FINANCIAL PLAN (CONSOLIDATED)**

**BYLAW 5980 - SCHEDULE A**

For Year Ended December 31	Budget 2024	Provisional Budget 2025	Provisional Budget 2026	Provisional Budget 2027	Provisional Budget 2028
<b>Revenue</b>					
Taxation	\$ 57,008,959	\$ 63,034,264	\$ 68,258,546	\$ 74,598,261	\$ 79,325,229
Sanitary Sewer User Fees	11,561,782	11,995,813	12,446,717	12,590,696	12,736,683
Sale of Goods and Services	22,070,733	22,418,125	22,673,788	23,160,753	23,633,798
Fiscal Services	4,635,500	4,658,757	4,682,738	4,707,465	4,734,235
Natural Gas System	485,000	493,370	508,171	523,416	539,118
Government Transfers	12,507,771	10,015,699	12,363,023	10,154,895	12,921,795
Developer Contributions	3,874,977	4,997,927	3,077,927	1,287,115	1,860,200
<b>Total Revenue</b>	<b>\$ 112,144,722</b>	<b>\$ 117,613,955</b>	<b>\$ 124,010,910</b>	<b>\$ 127,022,601</b>	<b>\$ 135,751,058</b>
<b>Expenses</b>					
Communications, Insurance & Utilities	\$ 5,179,085	\$ 5,373,615	\$ 5,558,792	\$ 5,750,324	\$ 5,945,825
Cost of Goods Sold	654,500	608,940	621,119	633,542	646,213
Amortization	12,420,945	12,669,366	12,922,754	13,181,212	13,444,835
Supplies, Materials & Contracts	44,147,416	43,226,110	44,329,249	45,746,550	47,053,657
Salaries, Wages, & Benefits	43,906,009	45,620,348	47,398,938	49,351,947	51,238,552
Interest and Fiscal Services	1,114,869	2,863,836	5,085,793	6,338,572	6,282,697
<b>Total Expenses</b>	<b>\$ 107,422,824</b>	<b>\$ 110,362,215</b>	<b>\$ 115,916,645</b>	<b>\$ 121,002,147</b>	<b>\$ 124,611,779</b>
<b>Net Revenues for the Year</b>	<b>\$ 4,721,898</b>	<b>\$ 7,251,740</b>	<b>\$ 8,094,265</b>	<b>\$ 6,020,454</b>	<b>\$ 11,139,279</b>
<b>Principal Payments on Long Term Debt</b>	(527,249)	(1,098,949)	(1,956,449)	(2,832,949)	(2,728,187)
<b>Change in Fund Balance</b>	4,194,649	6,152,791	6,137,816	3,187,505	8,411,092
<b>Estimated Closing Fund Balance</b>	716,074,530	722,227,321	728,365,137	731,552,642	739,963,734
<b>Reconciliation to Cash Basis:</b>					
Change in Fund Balance (see above)	\$ 4,194,649	\$ 6,152,791	\$ 6,137,816	\$ 3,187,505	\$ 8,411,092
Plus: Debt Proceeds	30,000,000	45,000,000	46,000,000	-	-
Plus: Amortization	12,420,945	12,669,366	12,922,754	13,181,212	13,444,835
Plus: Transfers from Reserves	29,272,871	24,346,336	25,384,576	27,134,118	26,712,666
Less: Transfers to reserves	(16,800,076)	(17,396,867)	(17,883,455)	(18,439,476)	(20,809,900)
Less: Approved infrastructure program	(29,088,389)	(25,771,626)	(26,561,691)	(25,063,359)	(27,758,693)
Less: Active Living Centre	(30,000,000)	(45,000,000)	(46,000,000)	-	-
<b>Reconciled Surplus (Deficit)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

# 2024-2028 Financial Plan Revenue Policy

## Bylaw 5980 – Schedule B

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### Property Value taxes

Taxation Revenue of the Corporation of the City of Vernon (the City) will be determined by Council each year according to the operating needs of the community and the infrastructure levy, as part of the annual budget process.

Taxation will be allocated to the various property classes as follows;

- The utility class will be taxed at the maximum combined rate per thousand dollars of value permitted by legislation.
- All remaining classes of property will receive an equal allocation of the percent change in the annual tax levy.
- The City will strive to maintain a business to residential multiplier range not exceeding 3.2 to 1 under optimal conditions by adjusting the allocation of the percent change in the annual tax levy if needed.

The City recognizes the benefits provided to the community through the efforts and activities of volunteer organizations and community groups. Permissive tax exemptions will be extended to such groups and must be renewed annually. New applications will be reviewed each year to ensure the applicants meet the guidelines of the City's Tax Exemption policy.

### Taxation

- The proportion of revenues to be raised from taxation in 2024 is 50.8% of total revenue.

### Municipal Fees

- Service fee recovery should reflect the full costs of program delivery.
- The proportion of revenues to be raised from fees and charges in 2024 is 30.0% of total revenue.

### Other Revenue

- Investment income will be based on prudent investments of taxpayer funds.
- Other revenue flows should be developed and enhanced to maximize the value derived for the benefit of the City's residents.
- The proportion of revenues to be raised from other revenue in 2024 is 19.2% of total revenue.

### Parcel Taxes

- Specified areas will bear the net cost to finance the local improvements.
- The proportion of revenues to be raised from parcel taxes in 2024 is less than 1.0% of total revenue.

### Infrastructure

- Commencing for 2013, Council committed to rebuilding the capacity of the City to fund its capital infrastructure obligations. 2023 was the final year of the 1.9% annual taxation increase to be levied cumulatively for capital infrastructure funding. Beginning in 2024, the infrastructure levy receives a nominal increase in keeping with the overall tax increase approved by Council.